

**CITY CENTER DEVELOPMENT AUTHORITY**  
**Whatcom County, Washington**  
**January 1, 1989 Through August 31, 1991**

---

**Schedule Of Findings**

---

1. City Center Development Authority Should Maintain Accounting Records And Prepare Required Financial Statements

City Center Development Authority (CCDA) staff was unable to locate certain accounting records for fiscal year 1989. In addition, financial statements for 1989, the Statement of Cash Flows for 1990, and Notes to the Financial Statements were not prepared.

RCW 40.14.070 states, in part:

Except as otherwise provided by law, no public records shall be destroyed . . . unless:

- (1) The records are six or more years old;
- (2) The department of origin of the records has made a satisfactory showing to the state records committee that the retention of the records for a minimum of six years is both unnecessary and uneconomical . . .
- or
- (3) The originals of official public records less than six years old have been copied or reproduced by . . . process approved by the state archivist which accurately reproduces or forms a durable medium for so reproducing the original.

RCW 43.09.230 states, in part:

The state auditor shall require from every taxing district and other political subdivisions financial reports covering the full period of each fiscal year, in accordance with the forms and methods prescribed by the state auditor, which shall be uniform for all accounts of the same class.

CCDA staff indicated that the inability to locate some of the 1989 accounting records was the result of a change in treasurer. The 1989 statements were not prepared because there was not a complete record of activity on which to base the preparation of those statements. In addition, the absence of year-end 1989 information precluded the preparation of the Statement of Cash Flows for 1990.

When accounting records are not retained, we are unable to conduct a complete audit of the entity's activities. In addition, when financial statements are not prepared the general public and other interested parties are denied access to the financial information.

We recommend that the authority retain accounting records in accordance with statute and prepare required financial statements in the future.